



NEWS UPDATE

21 October 2025

MARKET SUMMARY

- 1 bps = 0.01%
- Increase in Yield = Decrease in the bond price/ value

US Treasury	Yield 20 October 25	Daily Change bps	Yield 17 October 25	Weekly Change bps	Yield 10 October 25*	Monthly Change bps	Yield 19 September 25	YTD Change bps	Yield 31 Dec 24
3 YEAR	3.47	0	3.47	-5	3.52	-9	3.56	-80	4.27
5 YEAR	3.58	-1	3.59	-7	3.65	-10	3.68	-80	4.38
7 YEAR	3.77	-1	3.78	-6	3.83	-11	3.88	-71	4.48
10 YEAR	4.00	-2	4.02	-5	4.05	-14	4.14	-58	4.58

*US Market closed on 13 October in observance of Columbus Day Holiday

MGS	Yield 17 October 25**	Daily Change bps	Yield 16 October 25	Weekly Change bps	Yield 10 October 25	Monthly Change bps	Yield 17 September 25	YTD Change bps	Yield 31 Dec 24
3 YEAR	3.08	0	3.08	-1	3.09	4	3.04	-40	3.48
5 YEAR	3.20	-2	3.22	-4	3.24	8	3.12	-42	3.62
7 YEAR	3.39	-2	3.41	-4	3.43	7	3.32	-38	3.77
10 YEAR	3.46	0	3.46	-3	3.49	6	3.40	-36	3.82

**Malaysia Market closed on 20 October in observance of Deepavali Day Holiday

GII	Yield 17 October 25**	Daily Change bps	Yield 16 October 25	Weekly Change bps	Yield 10 October 25	Monthly Change bps	Yield 17 September 25	YTD Change bps	Yield 31 Dec 24
3 YEAR	3.08	0	3.08	-3	3.11	3	3.05	-25	3.33
5 YEAR	3.22	0	3.22	-2	3.24	6	3.16	-40	3.62
7 YEAR	3.31	0	3.31	-3	3.34	6	3.25	-43	3.74
10 YEAR	3.48	0	3.48	0	3.48	5	3.43	-35	3.83

AAA	Yield 17 October 25**	Daily Change bps	Yield 16 October 25	Weekly Change bps	Yield 10 October 25	Monthly Change bps	Yield 17 September 25	YTD Change bps	Yield 31 Dec 24
3 YEAR	3.52	0	3.52	1	3.51	7	3.45	-31	3.83
5 YEAR	3.58	0	3.58	0	3.58	4	3.54	-37	3.95
7 YEAR	3.66	0	3.66	-2	3.68	6	3.60	-33	3.99
10 YEAR	3.76	0	3.76	-1	3.77	9	3.67	-28	4.04

Source: US Treasury, BNM & BIX Malaysia

NEWS UPDATE

Today's headlines of interest and summaries as extracted from the international and local media.

Lack of catalyst from budget, foreign investors pare down on bonds

Yields on Malaysian Government Securities (MGS) and Government Investment Issues (GII) trended lower this week, tracking global movements as investors priced in stronger expectations of US Federal Reserve rate cuts, according to Kenanga Investment Bank.

Across the curve, yields fell between 0.6 and 6.2 basis points (bps), with the 10-year MGS down 3.7 bps to 3.457%, and the 10-year GII easing 4.4 bps to 3.472%. Kenanga noted that the decline mirrored movements in US Treasuries (USTs), as markets continued to price in rate cuts despite the ongoing US government shutdown.

“Domestically, resilient industrial production and a steady labour market provided modest support,” Kenanga said in its latest fixed income report. However, foreign investors continued to pare their holdings, recording RM0.7 billion in net outflows from Malaysian government bonds, reflecting subdued sentiment following Budget 2026, which investors viewed as lacking fresh catalysts.

On the macro front, Malaysia’s advance GDP estimate for 3Q25 came in stronger than expected at 5.2%, signalling continued resilience in domestic demand and industrial activity. – Business Today

Read full publication at <https://www.businesstoday.com.my/2025/10/18/lack-of-catalyst-from-budget-foreign-investors-pare-down-on-bonds/>

NEWS UPDATE

Today's headlines of interest and summaries as extracted from the international and local media.

Surprise 3Q GDP growth sparks 2025 forecast upgrades by economists

Malaysia's economic momentum is expected to hold steady through the end of the year following a stronger-than-expected 5.2% expansion in the third quarter (3Q), leading several research houses to raise their 2025 growth forecast.

Economists said the advance estimates, driven by resilient domestic demand, tourism and a rebound in mining, reaffirmed Malaysia's growth trajectory. The data also suggests that the country could surpass earlier projections despite lingering external headwinds.

The upbeat reactions follow the Department of Statistics Malaysia's (DOSM) flash estimate, which showed gross domestic product (GDP) rising 5.2% year-on-year in July-September, exceeding the median 4.2% increase predicted in a Bloomberg poll and faster than the 4.4% seen in the second quarter.

ANZ Research said the robust 3Q data "obviates the need for further near-term monetary policy support", as it lifted its full-year 2025 GDP forecast to 4.5% from 4.3%. The research house noted that its revised forecast is "slightly above the midpoint of the government's forecast range of 4.0–4.8%." – The Edge Malaysia

Read full publication <https://theedgemaalaysia.com/node/774605>

NEWS UPDATE

Today's headlines of interest and summaries as extracted from the international and local media.

Fed still poised to cut rates, but worries mount over US data vacuum

The Federal Reserve will go into a policy meeting next week with its view of the economy obscured by a U.S. government shutdown that has suspended the release of key data, a less-than-ideal situation for policymakers divided over which risks deserve the most attention.

Official employment data hasn't been released since the shutdown of the federal government began on October 1, but what information that remains available points to still-weak job growth.

The Fed's own economic field reporting, still underway at the self-funded central bank, showed possible cracks in consumer spending, and recent business confidence surveys pointed to a dip.

Yet businesses are also warning of coming price increases at a time when inflation is lodged above the Fed's 2% target, estimates of overall economic growth are getting upgraded as the scope of business investment becomes clear, and economists have begun pointing to a possible economic jolt next year as new tax laws, including exclusions for tips and overtime income, boost households' refunds. – Reuters

Read full publication at <https://www.reuters.com/business/finance/fed-still-poised-cut-rates-worries-mount-over-us-data-vacuum-2025-10-20/>

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